

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN PARKS TROWBRIDGE, JR.,
FREEDOM VENTURES, UBO, and
MONTGOMERY COUNTY TAX OFFICE,

Defendants.

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CIVIL NO. 4:14-cv-0027

COMPLAINT

Plaintiff, United States of America, pursuant to 26 U.S.C. §§ 7401, 7402, and 7403, at the direction of the Attorney General of the United States, or his delegate, and at the request of the Secretary of the Treasury, or his delegate, brings this action to reduce to judgment federal income tax assessments against defendant, John Parks Trowbridge, Jr., and foreclose tax liens associated with the assessments against real property known as 25117 Ramrock Drive, Porter, Texas 77365.

JURISDICTION AND VENUE

1. This Court has jurisdiction over this action pursuant to 26 U.S.C. § 7402 and 7403 and 28 U.S.C. §§ 1340, and 1345.
2. Venue is proper pursuant to 28 U.S.C. §§ 124(b) and 1396.

PARTIES

3. Plaintiff is the United States of America.
4. Defendant, John Parks Trowbridge, Jr., resides within the jurisdiction of this Court.

5. Defendant, Freedom Ventures, UBO, has been named as a party to this action, as required by 26 U.S.C. § 7403(b), because it has or may claim an interest in the property upon which the United States seeks to foreclose its lien.

6. Defendant, Montgomery County Tax Office, has been named as a party to this action, as required by 26 U.S.C. § 7403(b), because it has or may claim an interest in the property upon which the United States seeks to foreclose its lien.

FACTS

7. Defendant, John Parks Trowbridge, Jr. owes the United States the following amounts of unpaid federal income taxes, penalties, and interest:

| <u>Type of Tax</u> | <u>Tax Period</u> | <u>Assessment Date</u> | <u>Amount Due Through (September 1, 2013)</u> |
|--------------------|-------------------|------------------------|---|
| 1040 | 1993 | 1/20/2004 | \$371,173.71 |
| 1040 | 1994 | 1/20/2004 | \$482,760.14 |
| 1040 | 1995 | 1/20/2004 | \$481,310.16 |
| 1040 | 1996 | 1/16/2004 | \$1,295,799.01 |
| 1040 | 1997 | 1/16/2004 | \$655,292.45 |
| | | | |
| | | | |
| | | TOTAL: | \$3,286,335.47 |

8. Defendant, John Parks Trowbridge, Jr., was given notice and demand was made for payment of the unpaid taxes on or about the assessment dates listed in paragraph 7.

9. The United States recorded notices of its tax lien securing the above liabilities in the real property records of Montgomery County, Texas, on or about October 2, 2012, and July 7, 2011, for the tax periods listed in paragraph 7.¹

COUNT I (Judgment for Outstanding Tax Liabilities)

10. The United States incorporates the allegations set forth in paragraphs 7 through 9.

¹ Copies of the Notices of Federal Tax Lien are attached as Government Ex. A.

11. As of September 1, 2013, defendant, John Parks Trowbridge, Jr., owes the United States **\$3,286,335.47** for federal income taxes, penalties, and interest accrued for the tax periods referenced in paragraph 7. Defendant, John Parks Trowbridge, Jr., further owes all interest and statutory additions that accrue from September 1, 2013, until his tax liabilities are paid.

COUNT II (Foreclosure of Tax Liens)

12. The United States incorporates the allegations set forth in paragraphs 7 through 11.

13. On April 25, 2005, David Powers Homes S.T. LTD transferred by warranty deed the real property located at 25117 Ramrock Drive, Porter, Texas (“Porter property”) to defendant, John Parks Trowbridge, Jr., said property being more specifically described as follows:

Lot Sixteen (16), Block One (1), of Bentwood, Section One (1), a Subdivision of 156.8 Acres of Land, Out of the William Massey Survey, A-391, and the Mary Owens Survey, A-405, in Montgomery County, Texas, as Imposed by the Map and Dedication Records in Cabinet G, Sheets 138A through 141A of the Map Records of Montgomery County, Texas.

14. On or about May 2, 2005, the warranty deed was recorded, on that same date, a deed of trust in the amount of \$299,768 with DPH Mortgage, Ltd., was recorded.

15. On or about October 25, 2012, Real Property Bill of Exchange Contract and Agreement between defendants, John Parks Trowbridge, Jr. and Freedom Ventures, UBO, was filed with the Montgomery County Clerk’s Office. The contract purported to transfer the Porter Property from defendant, John Parks Trowbridge, Jr., to defendant, Freedom Ventures, UBO, for the sum of \$1,000.00.

16. The transfer described in paragraph 15 was intended to hinder and delay the collection efforts of the Internal Revenue Service and to defraud plaintiff, United States of America, and should be set aside as void with respect to the United States.

17. Plaintiff, United States of America, has a valid and subsisting federal tax liens on all property and rights to property belonging to the defendant, John Parks Trowbridge, Jr., including his interest in the Porter Property.

18. The federal tax liens against the defendant, John Parks Trowbridge, Jr., should be foreclosed upon the Porter property, the Porter property should be sold free and clear of all rights, titles, claims, and interests of the parties, and the proceeds of the sale should be distributed according to law.

PRAYER

WHEREFORE, plaintiff, United States of America, respectfully requests that the Court order the following:

- A. As of September 1, 2013, defendant, John Parks Trowbridge, Jr., owes the United States **\$3,286,335.47** for federal income taxes, penalties, and interest accrued for the tax periods referenced in paragraph 7. Defendant, John Parks Trowbridge, Jr., further owes all interest and statutory additions that accrue from September 1, 2013, until his tax liabilities are paid.
- B. That the United States has a perfected lien interest in all property and rights to property belonging to defendant, John Parks Trowbridge, Jr., as of the assessment date, or acquired thereafter.
- C. That the federal tax liens against the defendant, John Parks Trowbridge, Jr., be foreclosed upon the Porter Property, the Porter Property should be sold free and clear of all rights, titles, claims, and interests of the parties, and the proceeds of the sale should be distributed according to law.

DATE: January 7, 2014

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